

EXHIBIT B

Universitas' February 25, 2014

Letter to the Court

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
CASE NO. 11-1590-LTS-HBP

UNIVERSITAS EDUCATION, LLC

Plaintiff,

VS.

NOVA GROUP, INC., as trustee,
sponsor and fiduciary of the
CHARTER OAK TRUST WELFARE
BENEFIT PLAN,

Defendant.

April 17, 2013

10:00 a.m.

DEPOSITION OF DANIEL E. CARPENTER

REPORTED BY:

MARY G. VAN DINA, Certified Court Reporter,
Certified LiveNote Reporter.

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2 April 17, 2013

3 10:00 a.m.

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Deposition of DANIEL E. CARPENTER,

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taken by Plaintiffs, pursuant to subpoena, at the

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offices of LOEB & LOEB, LLP, 345 Park Avenue, New

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York, New York, before MARY G. VAN DINA, a

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Certified Shorthand Reporter and Notary Public

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within and for the State of New York.

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2 A P P E A R A N C E S:

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4 LOEB & LOEB, LLP

5 345 Park Avenue

6 4 New York, New York 10154

7 BY: PAULA KAE COLBATH, ESQ.

8 MICHAEL BARNETT, ESQ.

9 Attorneys for the Plaintiff

10

11 ANTHONY J. SIANO, ESQUIRE, PLLC

12 333 Westchester Avenue, Suite 302

13 White Plains, New York 10604

14 BY: ANTHONY SIANO, ESQ.

15 Attorneys for Daniel E. Carpenter

16

17 HALLORAN & SAGE, LLP

18 315 Post Road West

19 Westport, Connecticut 06880

20 BY: DAN E. LABELLE, ESQ.

21 Attorneys for Molly Carpenter

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WITNESS

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DANIEL E. CARPENTER

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BY MS. COLBATH

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E X H I B I T S

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NUMBER

DESCRIPTION

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Moonstone 1 Order to Show Cause with

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Temporary Restraining

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Order and Application for

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Turnover of Insurance

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Proceeds and Imposition

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of Constructive Trust

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Moonstone 2 Document, Bates Nos. TD

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Universitas 0998 through

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1002

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Moonstone 3 Document bearing Bates

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23

stamp number

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TD-Universitas 0524

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Moonstone 4 UCC Financing Statement

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2 **Moonstone 5 Open End Mortgage Deed 114**

3 **and Security Agreement**

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2 D A N I E L E. C A R P E N T E R, 18 Pondsider
3 Lane, West Simsbury, Connecticut 06092, having
4 been duly sworn by the Notary Public, testified
5 as follows:

6 EXAMINATION BY MS. COLBATH:

7 Q. Good morning, Mr. Carpenter. As you
8 know, my name is Paula Colbath, and I'm a lawyer
9 here at Loeb & Loeb. We represent Universitas
10 Education, LLC in this proceeding.

11 You've been deposed before, sir.

12 Correct?

13 A. Yes, ma'am.

14 Q. And you understand that your answers
15 today need to be audible so the court reporter
16 can take down your answers? She doesn't -- it's
17 difficult for her to take down nods.

18 A. Yes, ma'am.

19 Q. If you need a break today, please let
20 me know. We'll take a break.

21 Is that agreeable?

22 A. Yes.

23 Q. And, sir, if I ask you a question
24 today that you don't understand, please let me
25 know.

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2 it to.

3 Q. To whom have you rented the property?

4 A. A number of employees of USB Group, as
5 well as Benistar.

6 Q. Why was an LLC formed to take
7 ownership of the property?

8 A. All of -- anything that I invested in
9 is either held in an LLC or it's held in a trust,
10 you know, for either estate planning purposes or
11 protection, you know, asset protection, you know,
12 type purposes, so that if something happens on
13 one property, people can only sue that property
14 and they cannot sue other properties that are
15 owned by different trusts or different LLCs.

16 Q. Is part of your motivation also to
17 avoid being sued personally?

18 A. I've been constantly sued since about
19 January 6th of 2001, so I've been under a
20 constant siege of lawsuits since early January of
21 2001.

22 MR. SIANO: May I have a moment,
23 please?

24 MS. COLBATH: Sure.

25 (Off-the-record discussion.)

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2 BY MS. COLBATH:

3 Q. What is the significance, if any, to
4 the January 26, 2001 date that you referenced in
5 your last answer?

6 A. The company that I work for invested
7 money for Section 1031 tax-free exchanges, and I
8 lost a little over \$8 million in the great stock
9 market fall of December of 2000, and shortly
10 thereafter, in January of 2001, there were a
11 number of lawsuits that started against the
12 company and me personally and that litigation is
13 still going on today in Boston.

14 Q. Is that company you're referring to
15 Benistar Property Exchange?

16 A. It's now called Boston Property
17 Exchange, but at that time it was Benistar
18 Property Exchange, but it's now Boston Property
19 Exchange, but at the time it was Benistar
20 Property Exchange Trust Company, but the name has
21 been changed to Boston Property Exchange.

22 Q. Who were the shareholders of Caroline
23 Financial Group, Inc.?

24 A. I don't know.

25 Q. Who would know?

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2 A. If I don't know, I don't believe
3 there's anybody who would know.

4 Q. Is Caroline Financial Group, Inc. a
5 company that's currently in good standing in a
6 jurisdiction?

7 A. Yes, ma'am.

8 Q. How do you know that?

9 A. Because every year, we follow up with
10 the state of Delaware.

11 Most of the entities that I'm involved
12 with are incorporated in Delaware and we
13 routinely just -- you know, every March, we just
14 make sure that we're current with the franchise
15 tax and the annual reporting, so that I just
16 happen to know that Caroline Financial Group is
17 in good standing.

18 Q. Who is the "we" that you referred to
19 in your last answer that makes sure that Caroline
20 Financial Group is current?

21 A. I use the editorial "we" and the
22 empirical "we" a lot, but the person who follows
23 up to make sure that the company is in good
24 standing is Amanda Rossi.

25 Q. Who are the officers and directors

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2 currently of Caroline Financial Group, Inc.?

3 A. It's just myself as chairman and
4 secretary.

5 Q. Do you recall who -- putting aside who
6 the current shareholders of Caroline Financial
7 Group, Inc., do you know who any -- any
8 shareholders were at any point in time?

9 A. No.

10 Q. Who formed Caroline Financial Group,
11 Inc.?

12 A. I did.

13 Q. When was it formed?

14 A. I think in 1995.

15 Q. What's the business of Caroline
16 Financial Group, Inc.?

17 A. It acts as the managing member and the
18 tax matters partner of a number of different
19 entities.

20 Q. Can you identify any of those
21 entities?

22 A. I could, but it's probably too
23 numerous to mention.

24 Q. Okay. Well, does Caroline Financial
25 Group, Inc. have any relationship to Grist Mill